

# **TSOLWANA MUNICIPALITY**



## **THE 2012/2013 MULTI-YEAR OPERATIONAL AND CAPITAL BUDGET**

Draft Medium term Revenue and Expenditure Framework  
30 March 2012

APPROVED AT COUNCIL MEETING 30 March 2012

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## 2. **Section 2** **GLOSSARY**

**Adjustments Budget** – prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**Allocations** – Money received from Provincial or National Government or other municipalities.

**Budget** – the financial plan of the municipality

**Budget related policy** – policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy, etc

**Capital Expenditure** – Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the municipality's balance sheet.

**Cash flow statement** – a statement showing when actual cash will be received and spent by the municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.

**DORA** – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from National to Local government.

**Equitable share** – a general grant paid to municipalities. It is predominantly targeted to help with free basic services.

**Fruitless and wasteful expenditure** – expenditure that was made in vain and would have been avoided had reasonable care been exercised.

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

**GAAP** – General Accepted Accounting Principles. World Wide Accepted Standards

**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the municipality

**KPI's** – Key Performance Indicators. Measures of service output and / or outcome.

**MFMA** – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.

**MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current year's financial position.

**Operating expenditure** – spending on the day to day expenses of the municipality such as salaries and wages.

**Rates** – Local government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Strategic Objectives** – the main priorities of the municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Unauthorised expenditure** – generally, spending without, or in excess of, and approved budget.

**Virement** – a transfer of budget

**Virement Policy** – The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be taken and approved by Council.

**Vote** – one of the main segments into which a budget is divided, usually at directorate / department level.

### Section 3

### 3. MAYORAL BUDGET SPEECH

MAYORAL BUDGET 2012-13

Hon Chiefwhip

All Councillors

Traditional Leadership present here today

Members of MPAC

Members of the Audit Committee

All invited guests

Members of the Public

It is my great pleasure and honour to be standing in front of you to present to you IDP/BUDGET 2012-13.

We have reached that stage again where we have to reflect on our Strategic and Financial plans for the period ahead. The 2011 Local Elections gave us a clear mandate as the current leadership to provide Strategic Leadership and Service delivery to the masses of our people.

Very key to our mandate is the “Speeding- up of service delivery and expansion therefore to the rural areas of our LM”. We are mindful of the challenges facing all our people mainly

1. Unemployment
2. Access to basic services such as water, sanitation, and electricity
3. Poor and lack of infrastructure
4. Poor Local Economic Development
5. Youth and rural development

The above mentioned challenges are not exhaustive but they are keys to our mandate. As we are moving forward and looking towards 2012-13 financial year we need to reflect to the National and Provincial imperatives. Our President in his State of the Nation Address early this reflected on Local Government as a critical area of focus this year. This was confirmed by the President’s re-assurance that Local Government will receive the necessary attention it deserves in terms of Support and Resources.

This was also supported by the State of the Province Address by the Premier later on. We are now at a stage of integrating what has been raised by the President and Premier to our own programme of action moving forward.

The Budget and IDP we are presenting to you today is talking to that and it must continue reflecting our demographics and challenges. This budget is based on limited resource base that we are having as Tsolwana and also the very little Grant funding we are getting from MIG .This then forces us to be financial disciplined when it comes to “Spending Patterns”.

We must spend more on service delivery than on Non- essentials so that our people benefit. Linked to that we must also through this Budget and IDP strive to share ideas on how best can we be “Focused” when implementing Service Delivery. This then means we must be able look back and say is the current arrangement of dividing our MIG allocation limited as it is assisting us.

We must also focus on how to we “Collect” what belongs to the Kitty from those who owes so that in turn we sustain this Institution. We cannot always carry everything ourselves without the community and stakeholders holding our hands by paying for the services they are getting.

This Budget must be taken to the people for them to engage and be able to own it moving forward. This means all our ward councillors must be engaged in their wards on the IDP and Budget with the communities. This will assist us to sustain “Public Participation”.

I would like to thank all my fellow councillors, MM, and staff for their efforts to compile this Budget and IDP. It has not been as easy task at all.

Lastly we must all commit to retain and improve our Audit Outcome using this Budget as a Yard Stick. We must also commit to “Collect” what is due to us to support this Budget moving forward.

Thank you.

Clr Khayelethu Nqiqhi

MAYOR

## **Section 4**

### **4. BUDGET RELATED RESOLUTIONS**

#### **Council Resolutions**

On 30 March 2012 the Council of Tsolwana Municipality Local Municipality met in the Council Chambers of Tsolwana Municipality to consider the draft annual budget of the municipality for the financial year 2012/13. The Council approved the following resolutions:

1. The Council of Tsolwana Municipality Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - 1.1. The annual budget of the municipality for the financial year 2011/12 and the multi-year and single-year capital appropriations as set out in the following tables:
    - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2 on page 47- 49
    - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3 on page 50-56
    - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 on page 57 and
    - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5 on page 58-61
  - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
    - 1.2.1. Budgeted Financial Position as contained in Table A6 on page 62
    - 1.2.2. Budgeted Cash Flows as contained in Table A7 on page 63
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8 on page 64
    - 1.2.4. Asset management as contained in Table A9 on page 65 and



1.2.5. Basic service delivery measurement as contained in Table A10 on page 66

2. The Council of Tsoelwana Municipality Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves with effect from 1 July 2012:

2.1. the tariffs for **property rates** – as set out in Annexure 1

All property taxes as per the 2011/2012 tariff, plus 6%

2.2. the tariffs for **electricity** – as set out in Annexure 1

All basic electricity charges as per the 2011/2012 tariff, plus 6%

All consumptions charges as per the 2011/2012 tariff, plus 11.03%

2.3. the tariffs for the supply of **water** – as set out in Annexure 1

All consumption charges as per the 2011/2012 tariff, plus 6%

(This function and tariffs is determine and approve by Chris Hani District Municipal Council as the water services authority for implementation by Tsoelwana Municipality as the water services provider)

2.4. the tariffs for **refuse** services – as set out in Annexure 1

All refuse charges as per the 2011/2012 tariff, plus 10%

2.5. the tariffs for **sanitation** services – as set out in Annexure 1

All sewerage charges as per the 2011/2012 tariff, plus 6%

(This function and tariffs is determine and approve by Chris Hani District Municipal Council as the water services authority for implementation by Tsoelwana Municipality as the water services provider)

#### **DEPOSIT**

Electricity:

Township (domestic): R138.90 (No VAT is applicable)

Town areas (domestic): R486.10 (No VAT is applicable)

Businesses: R946.90 (No VAT is applicable)

Water:

Town and Townships: R83.30 (No VAT is applicable)

Above deposits is based on two months average consumption and size of connection.

## **RECONNECTION FEES**

Full explanation and determination can be found as per attached tariff list.  
(Attached as Annexure 1)

## **MISCELANEOUS TARIFFS**

- ✓ As per the 2012/2013 tariff plus 10% unless stated otherwise
- ✓ These include all tariffs that are not included in the tariffs as defined above and not used by all consumers
- ✓ These are tariffs that are used on a needs basis
- ✓ All tariffs excluded VAT except in the case of assessment rates that are zero-rated

## **INTEREST / CAPITALIZED ARREARS**

- ✓ Interest rates will be levied at market related rates from July 2012/2013 financial year at prime rate + 1% as at the beginning of the financial year are recommended.

## **INDIGENT SUPPORT**

Income limit for households

- Pensioners R2 500,00 p.m.
- Other R2 500,00 p.m.

### **Indigents package**

- Water 6kl
- Electricity 50kwh units free in Municipal area  
20Amps (include free basic charges) in Eskom area  
and given 50kwh
- Refuse removal
- Sewerage
- Rates and Taxes to an improvement and land value market related value of up to R50 000-00 (This include the first R15 000-00 threshold as per Municipal Property Rates Act) for residential property holders ONLY.

3. The Council of Tsolwana Municipality Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000)

approves with effect from 1 July 2012 the tariffs for other services, as set out in Annexures 1.

4. To give proper effect to the municipality's annual budget, the Council of Tsolwana Municipality Local Municipality approves:
  - 4.1. That cash backing is implemented by keeping dedicated bank accounts for all unspent long-term loans and unspent conditional grants as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
  - 4.2. That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2011/12 financial year limited to an amount of R13.603 million for the financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.
  - 4.3. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

## **Section 5**

### **5. OVERVIEW OF THE BUDGET**

#### **5.1 Balanced and Credible Budget**

The following Nation Treasury guidelines have been taken into consideration when preparing the budget:

- Tabling a balance and credible budget that is based on realistic estimates of revenue to be collected, taking into account both actual revenue collected in the past financial year, and revenue projects for the current financial year.
- The inclusion of all grants in the annual budget, on both the revenue and expenditure side;
- The presentation of three year capital and operating budgets;
- The revision of the IDP to be consistent with the three year budget
- The maximum expenditure growth limit of 6% to stay within inflation targets as determined by National Treasury. The growth limit applies to own revenue sources only and exclude intergovernmental grants, for both the capital and operating budgets.
- Increases in rates and taxes have been kept within inflation targets, in support of government's macro-economic objectives and investor confidence.

#### **Funding the Budget**

Section 18(1) of the MFMA states that an annual budget may only be funded from

- Realistically anticipated revenues to be collected;

- Cash backed accumulated funds from previous year's surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget

Achievement of these requirements in totality effectively means that council has "balanced" its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

#### Credible Budget

Amongst other things, the following has been taken into consideration to ensure that this is a credible budget;

- Only activities consistent with the revised IDP have been included in the budget, taking into consideration the financial constraints of the municipality;
- It is achievable in terms of the agreed services delivery and budget implementation plan and performance targets;
- Contains revenue and expenditure projection that are consistent with current and past performance
- Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term; and
- Provided managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

The budget sets out certain service delivery levels and associated financial implications, therefore the community should realistically expect to receive these promised service delivery levels and understanding the associated financial implications.

## **5.2 Government Priorities Considered**

### **THE MTREF**

The budget has been prepared based on the new requirements and significant progress has been made on the implementation thereof. However, some processes are still being developed to ensure full compliance, which include activity based costing, asset management, system shortcomings, human capacity building amongst others.

Although the fact that our municipality is categorized as Low Capacity Municipality, it is also of outmost importance to ensure that Council complies with all legislative requirements, this entails the channelling of fund which would ordinarily be utilized for services delivery to the implementation of the legislative requirements.

In President Jacob Zuma's State of the Nation Address of 2012, he indicates government key priorities to be:

- Improving the quality of education
- Upgrading health care

- Promoting public safety
- Supporting rural development
- Creating decent jobs
- Building sustainable human settlement
- And encouraging efficient government

Therefore, in framing this budget, priority has been given to objectives and priorities of government.

The Global economic outlook looks better in compared to the past financial yeas and there are signs that the South African economy is recovering well from the mentioned global economic crisis.

It has been difficult to balance the budget due to the small tax base of the municipality and employee cost challenges as per the salary and wage agreement within the Bargaining Council processes of the past. We are also not sure what the Bargaining Council salary process will settle. **The National Treasury outlook is a 5% cost-of-living increase.**

Remuneration of councillors and its increases are not yet known at this moment of time but and 8% increase is budgeted for.

A bulk electricity purchase has increased drastically over the past two year as result of NERSA and ESKOM tariff increases. **Bulk electricity price increase for 2012/13 from ESKOM will be 16 % while municipalities are allowed an increase of 11.03 % by NERSA**

By addressing the poor, as well as the successful implementation of the indigent campaign, the provision of free basic services and indigent subsidy, will see increase in budget in this area in comparison to previous financial years.

Provision has been made for critical positions and certain new post as a result of the new organogram and inputs from departments.

After affecting all requests in the budget the result was that the budget had shortfall that had to be worked out before this final budget could be tabled. Expenditure requests had to be reduced to balance the budget. The budget has a deficit due to GRAP 17 implementation and specific the question of depreciation.

The area of focus in the coming financial year will be mainly in collecting revenue, which will include sundry revenue as well, to ensure the financial viability of the municipality.

More budget related policies/strategies will be developed to assist the municipality to control its revenue and expenditure in future.

More effort must be put on the development of the Service Delivery and Budget implementation Plans (SDBIP) of departments, in order to ensure that there is a better and smooth process in the development of the two documents.

## Section 6

### 6. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items. Key areas where savings were realized were on telephone and internet usage, printing, workshops, travelling, accommodation, and catering.

The Municipality has embarked on data cleansing exercise. When the latter is completed, the municipality will embark and craft a revenue collection strategy to optimize the collection of debt owed by consumers.

National Treasury's MFMA Circular No. 51, 54, 55 and 59 were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2012/13 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies
- The municipality has a **challenge of not completing the MIG capital projects** within the prescribed time frames. The latter result to unnecessary rollover of funds and explanation to the different treasuries
- Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2013/12 MTREF:

- The 2011/12 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2012/123 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water, electricity and annual salary increases. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/123 Medium-term Revenue and Expenditure Framework:

#### **Consolidated Overview of the 2012/13 MTREF**

	Adjustment Budget 2011/2012 R'000	Budget Year 2012/2013 R'000	Budget Year + 1 2013/2014 R'000	BudgetYear+2 2014/15 R'000
Total Operating Revenue(excluding capital transfers)	44 719	49 604	52 714	57 658
Total Operating Expenditure	49 561	55 677	59 754	65 752
Surplus/Deficit for the year	(4 842)	(6 073)	(7 040)	(8 094)
Total Capital Expenditure	18 913	27 103	11 092	11 733

Total operating revenue has grown by 10.9 per cent or R4 884 976

for the 2013/12 financial year when compared to the 2011/12 Adjustments Budget. For the two outer years, operational revenue will increase by 6% and 9.3 % respectively, equating to a total revenue growth of R8.054 million over the MTREF when compared to the 2011/12 financial year.

Total operating expenditure for the 2012/13 financial year has been appropriated at R55 677 million and translates into a budgeted Deficit of R6 073 million. When compared to the 2011/12 Adjustments Budget, operational expenditure has grown by 12.3 per cent in the 2012/13 budget and by 7.3 and 10 per cent for each of the respective outer years of the MTREF. The operating deficit for the two outer years steadily increases to R6 073 million to R8 094 million over the MTREF period 000. These deficits is due to the fact that the municipality should be fully compliant with GRAP 17 . The deficit relates to depreciation.

The capital budget of R27.1 million for 2012/13 is 43 % per cent more when compared to the 2011/12 Adjustment Budget. The capital programme increases to R27.1 million in the 2012/13 financial year and then evens out in 2013/14 and 2013/15 to R11 million and R11.7 million respectively. A substantial portion of the capital budget will be funded from borrowing over MTREF with anticipated borrowings of R13.6 million only in 2012/2013. A further reason for the increases is due to the increase in MIG allocation and the receiving of other capital allocation such as for INEG.

The main objective of the budget is to allocate realistically expected resources to the service delivery goals or performance objectives identified as priorities in the approved IDP.

The final budget has also been prepared in accordance with chapter 4 of the Municipal Finance Management Act (MFMA Act no 56 of 2003), the Municipal Budget and Reporting Regulations, 23 January 2009 and all relevant prescriptions received via National Treasury Circulars and in particular Circulars 54, 55 and 59.

The following aspects are some of the important issues addressed when preparing the 2012/2013 MTREF:

- In levying rates and tariffs the local economic conditions and affordability levels have been taken into account.
- A three year Operations and Capital Budget has been compiled in accordance with National Treasury uniform formats, and is linked to the performance targets for each vote on the budget, through the Service Delivery and Budget implementation Plan (SDBIP). The SDBIP will be approved within 28 days after the approval of the final budget.
- The budget reflects all revenue anticipated to be received and recognized during the 2012/2013 year and beyond. All sources of realistically anticipated revenues such as own revenue, grants, subsidies, agency receipts have been included.



## 6.1 Key Budget assumptions

Budgets are prepared in an environment of uncertainty. To prepare a meaningful budget, assumptions are made about internal and external factors that could influence the Annual Budget.

Assumptions and guidelines used in the compilation of the multiyear budgets are:

### Capital Budget

The following conditions must be met for projects to be included in the capital budget:

- the project must be included in the Integrated Development Plan
- Financing of the project is secured
- A project not completed and is of major importance/compulsory and essential
- Community property and advantages and in normal circumstances will be funded by :
- Capital Replacement Reserve (CRR – Finding from own revenue) which must be cash backed
- External Financial fund, which relates to external borrowing
- Grant received from Nations, Provincial government and District Municipality.

### Overview of Budget assumptions

	2012/2013	2012/2013	2015/2014
<b>Revenue</b>	%	%	%
Water tariff increase (as per District Municipality Guideline)	6	6	6
Sanitation tariff increase (as per District Municipality Guideline)	6	6	6
Refuse tariff increase	10	10	10
Electricity tariff increase	11.03	15	15
Rates	6	6	6
<b>Expenditure</b>			
Salary increase	8	7	7
Increase in bulk purchase of electricity	16	25	25
<b>Other</b>			
Headline CPI Inflation	5.9	5.3	4.9

## **6.2 Service delivery**

As part of the improvement of service delivery, more strategies will need to be developed and implemented by the department technical services in repairing faulty metres (water & electricity) due to the high volume of broken /non-functioning of meters, which have a negative effect on councils finances.

## **6.3 Implementation of GRAP**

One of the challenges facing the Finance Department is to ensure that the change over from fund accounting system to the GRAP format that was completed during the financial year 2011/2012, be maintained. Funding of the change will mostly come from FMG to be received from National Treasury.

The project involves the review of the current Asset Management Policy to be aligned to GRAP standards. The major challenge of this project is the unbundling of Capital assets, in other words, assets need to be broken down to major components, e.g. current Asset – Sewer Purification plant, need to be broken down to, Dam, Pump, Building, Pipe, Electrical works, etc.

Capital Assets are to be unbundled, classified in accordance to standards in force and revaluation of all non-current assets to current replacement costs, the implementation of a comprehensive assets management system and asset management procedure manual.

## **6.4 Internal Charges**

The current method of cost recovery between service departments must be reviewed in terms of Activity Based Costing Principles and Standards. Activity based costing principles if correctly applied, will ensure that all costs applicable to a specific service are recorded. This means that tariff setting will be improved. Our current financial system cannot perform this function and due to capacity problems within the finance department, this function will be on hold until the new organogram can be implemented.

## **6.5 Functions outsourced and functions performed on agency basis**

- No municipal services have been contracted out to section 21 or Proprietary Limited companies.
- Agent for Department of Roads and Transport on certain eNatis transactions.
- Water Service Provider for the Chris Hani District Municipality

## **6.6 OPERATING BUDGET**

The 2012/2013 draft operating expenditure budget amounts to R55 677 million supporting Tables A3 and A4 gives more detail.

## **6.7 CAPITAL BUDGET**

The 2012/2013 draft capital budget amounts to R27.1 million.  
(Including MIG and Dept. of Energy grant funding)  
Supporting tables A5 and SA36 gives more detail around the capital programme/budget. (see capital programme)

## **6.8 EMPLOYEE COST TO TOTAL OPERATING EXPENDITURE**

The total employee cost for 2012/2013 including water and sanitation services amounts to R21 million compared R16 million of 2011/12 adjustment budget and Councillor allowance of R2.4million compared to R2.2 million . Total operating expenditure including water and sanitation, amounts to R55.6 million in 2012/13.

### **Section 7**

#### **7.1 BUDGET TABLES**

- 7.1.1 A1 Budget Summary
- 7.1.2 A2 Budgeted Financial Performance (revenue and expenditure by standard classification)
- 7.1.3 A3 Budgeted Financial Performance (revenue and expenditure by detail standard classification)
- 7.1.4 A4 Budgeted financial Performance (revenue and Expenditure by Municipal vote)
- 7.1.5 A4 Budgeted Financial Performance (revenue and expenditure by detail municipal vote)
- 7.1.6 A4 Budgeted Financial Performance (revenue and expenditure)
- 7.1.7 A5 Budgeted Capital Expenditure by vote, detailed standard classification and funding
- 7.1.8 A5 Budget Capital expenditure by vote, detailed standard classification and funding
- 7.1.9 A6 Budgeted Financial Position
- 7.1.10 A7 Budgeted Cash Flows
- 7.1.11 A8 Cash backed reserves / accumulated surplus reconciliation
- 7.1.12 A9 asset management
- 7.1.13 A10 Basic Service delivery measurement

## **7.2 BUDGET SUPPORTING TABLES**

7.2.1	SA 1 Supporting detail to “Budgeted Financial Performance”
7.2.2	SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept)
7.2.3	SA3 Supporting detail to “Budgeted Financial Position”
7.2.4	SA4 Reconciliation to IDP strategic objectives and budget (revenue)
7.2.5	SA 5 Reconciliation to IDP Strategic objectives and budget (operating expenditure)
7.2.6	SA6 Reconciliation to IDP strategic objectives and budget (capital expenditure)
7.2.7	SA7 Measurable performance objectives
7.2.8	SA8 performance Indicators and benchmarks
7.2.9	SA9 Social, economic and demographic statistics and assumptions
7.2.10	AS10 funding measurements
7.2.11	SA11 Property rates summary
7.2.12	SA 12 & 13 Property rates by category (current year)
7.2.13	SA14 Housing bills
7.2.14	SA15 Investment particulars by type
7.2.15	SA16 Investment particulars by maturity
7.2.16	SA17 Borrowing
7.2.17	SA18 Transfers and receipts
7.2.18	SA19 Expenditure on transfers and grant programme
7.2.19	SA20 Reconciliation of transfers, grant receipts and unspent funds
7.2.20	SA21 Transfers and grants made by the municipality
7.2.21	SA22summary councillor and staff benefits
7.2.22	SA23 Salaries, allowances & benefits (political office bearers /councillors/senior managers)
7.2.23	SA24 Summary of personnel numbers
7.2.24	SA25 Budgeted monthly revenue and expenditure
7.2.25	SA26 Budgeted monthly revenue and expenditure (municipal vote)
7.2.26	SA27 Budgeted monthly revenue and expenditure (standard classification)
7.2.27	SA28 Budgeted monthly Capital Expenditure (municipal vote)
7.2.28	SA29 Budgeted monthly Capital expenditure (standard classification)
7.2.29	SA30 Budgeted Monthly cash flow
7.2.30	SA31 entities not required
7.2.31	SA32 lost of external mechanisms
7.2.32	SA33 Contracts having future budgetary implications
7.2.33	SA34a Capital expenditure on new assets by asset class
7.2.34	SA34b Capital expenditure on the renewal of existing assets by asset class
7.2.35	AS34c Repairs and maintenance expenditure by asset class
7.2.36	AS35 future financial implications on the capital budget
7.2.37	SA36 detailed capital budget
7.2.38	SA37 Projects delayed from previous financial years

## Section 8

### 8. OVERVIEW OF THE ANNUAL BUDGET PROCESS

#### Budget Process Overview

##### Schedule of Key Deadlines relating to budget process [MFMA s 21(1)(b)]

The Act requires the formal budget process to start with the tabling by the Mayor in Council of a schedule showing the key budget deadlines. This was prepared and tabled during a Council meeting in August 2009.

##### Political oversight of the budget process

Section 53 of the MFMA requires that the Mayor provides general political guidance over the budget process and the priorities that must guide the preparation of the budget.

##### Process used to integrate the review of the IDP & preparation of the budget

Departments were required to give input and their needs to the budget. The budget process is integrated with the review of the IDP through the IDP review mechanism. The outcome of consultation feeding into the IDP review is taken into account in the budget process.

This budget had also better input from government departments in compared to previous years

##### Process for tabling the budget in Council for consultation

A statutory period of consultation follows the tabling of the budget in Council on 30 March 2012. Meetings with the local community should be advertised in the local press following the tabling of the draft budget.

The Mayor had considered the outcomes of these consultation meetings.

##### Process for approving the budget

The budget must be approved by Council by 31 May.

##### Process and media used to provide information on the budget to the community

All budget documentation, the MTREF together with tariffs and policies, was made available at Council libraries and offices for inspection.

Advertisements informing the public about the availability of these documents and the schedules for the IDP/Budget public hearings was published in all local newspapers and put up at municipal offices and libraries.

## **Section 9**

### **9. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN**

The IDP has been prepared for the Medium Term Revenue and Expenditure period which includes instances up to 2014/2015. A Budget and IDP Process Plan was developed and approved by Council during August 2011 Council meeting. The whole development of the Budget and IDP was based on the Budget and IDP Process Plan.

All the wards were visited and community needs and inputs were sought. All relevant stakeholders were consulted through the Intergovernmental Relations and Steering Committee meetings

The Integrated Development Plan of 2012/13 was developed in partial response to:

- The requirements of compliance with the Local Government Municipal Systems Act (MSA) 32 of 2000 which prescribes for the review of municipal integrated development plan (IDP), in which it prescribes for the municipality to:
  - a) Identify the gaps that warrant review in its IDP and revise accordingly
  - b) Review its performance and incorporate the outcomes of the review in its IDP review
- Comments raised by MEC on the previous IDP
- Queries raised by the auditor general in the municipality's annual statements which bear relevance for IDP and PMS linkages

A gap analysis conducted on the current IDP document pointed to the following key areas for specific attention and improvement during the formulation of this IDP.

### **9.1 Updating of the planning data**

Updated statistical information has been sourced from Global Insight 2008 and used to improve our demographic projections. Further, we have collected updated planning information from sector departments and that has necessitated few changes in the document.

The planning information is also updated to accommodate recent changes in government restructuring which took place after the April 2009 elections.

### **9.2 Response to comments raised during MEC assessment**

After the adoption of our previous IDP, a copy was submitted to EC DLG&TA for MEC assessment. A set of findings were given based on the outcome of the assessment highlighting key areas that needed attention in order to improve credibility of our IDP.

In response to the issues rose by MEC and in an attempt to ensure that our IDP Review 2013/12 meets the CREDIBLE IDP status as envisaged in the DPLG GUIDE for IDP assessment, this document has considered the following amendments:

- Expression on the spatial development framework
- Improvement of the financial viability section of the situation analysis in line with comments by the assessment team of last year

### **9.3 Response to issues raised by AG relating to IDP & PMS linkages**

Auditor General has raised concern over shortfalls in certain aspects of our planning process. In particular, key concerns were raised relating to the alignment of PMS and IDP. This IDP has been designed to ensure clear alignment between its IDP KPAs, development objectives and Targets. The document provides both the framework adopted for managing our performance management and the actual commitments in terms of the scorecards describing a set of indicators and targets for our performance management.

## **Section 10**

### **10. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS**

#### **10.1 Lack of office space**

The municipal assessment of how to improve its service delivery has found that the lack of office space surely has an impact on service delivery. Staff cannot be appointed and community stand in long queues when visiting the municipal offices for whatever reason. To address this matter a loan of R5.6 million will have to be raised.

#### **10.2 Rehabilitation of internal roads**

The condition of the internal road was also identified as a priority for Tsolwana Municipality. The roads in especially previously disadvantaged areas and rural areas need much attention to bring it up to an acceptable level.

An amount of R2.2 Bacclesfarm Bridge and Thornhill Nquba Road and Stormwater to the amount of R2.3 in 2012/13 and 2013/14 respectively has been budgeted for.

#### **10.3 Electricity**

Certain areas in Tsolwawan Municipality are not yet electrified. An amount of R2 million in the 2012/2013 and R5 million in 2013/13 financial year from Department of Energy has been allocated to Tsolwana Municipality.

#### **10.4 Sport and recreation**

There is lack of activities to keep especially the youth busy and away from crime. In the rural and previously disadvantaged areas there are no or they are in a very poor state of affair, when it comes to community halls and sports facility.

In the 2012/2013 financial year an amount of R2.1 million for each of the following capital projects were budgeted for from MIG allocation:

Rockland sportfield upgrade

Tendergate Sportfield

Zola Sportfield upgrade (phase 2)

Eluxolweni Sportfield updgrade

In the 2014/2015 financial year an amount of R2.3 million for each of the following capital projects were budgeted for from MIG allocation:

Kwezi Sportfield

Ivanlew Sportsfield

Chris Hani Hall Renovation



## **Section 11**

### **11. OVERVIEW OF BUDGET RELATED POLICIES AND AMENDMENTS**

Listed below with a brief description are the municipality's budget related policies. The **detailed policies** are not included in this budget documentation. However, they are available at the Council's office in 21 Murray Street, Tarkastad.

This section is trying to give the user of this budget document a broad overview of the budget policy framework and highlights the amended policies by council resolution.

Some of these policies will undergo a reviewed process before the final adoption of the budget in May 2012.

#### **11.1 Budget Policy**

##### **Purpose/Basic areas covered by policy/main objective**

The objectives of the budgeting policy is to set maximum expenditure limits for the budget or each component thereof, for the Municipality.

A Municipality may only incur expenditure in accordance with its approved budget.

##### **Date of council approval:**

With previous budget (31 MARCH 2009)

#### **11.2 Tariff Policy**

##### **Purpose/Basic areas covered by policy/main objective**

The purpose of this tariff policy is to prescribe the accounting and administrative policies and procedures relating to the determining and levying of tariffs by Tsoelwana Municipality.

##### **Date of council approval:**

With previous budget (31 MARCH 2009)

#### **11.3 Credit Control and Debt Collection Policy**

##### **Purpose/Basic areas covered by policy/main objective**

The Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003 contains legal prescriptions for sound and sustainable management of the financial affairs of municipalities. Section 97 deals with revenue management, inter alia with effective revenue collection systems and the preparation of accounts for service charges.

A Credit Control and Debt Collection Policy is required in order to give effect to requirements of Act 56, generally and specifically with revenue collection.

##### **Date of council approval:**

With previous budget (28 May 2008)

#### **11.4 Cash Management and Investment Policy**

##### **Purpose/Basic areas covered by policy/main objective**

In order to ensure sound and sustainable management of the cash resources of the municipality this policy addresses all principles and processes involved in cash and investment management

##### **Date of council approval:**

With previous budget (31 March 2009)

The following policy **had minor adjustments**.

#### **11.5 Property rates policy**

Setting of criteria for establishing rates tariffs.

##### **Minor change:**

Sect 6 (c) of the policy as approved on 31 March 2009 should be replace/repealed with the following sentence/phrase

- (6)(c) A 12.5% rebate due to the fact that the municipality is not required providing fire fighting services. This rebate can only be granted to organise fire fighting organisations and its members.

##### **Date of council approval:**

With budget (31 May 2010)

#### **11.6 Accounting Policy**

##### **Purpose/Basic areas covered by policy/main objective**

Accounting policy guides the preparation of the Annual Financial Statements and is reviewed each year during the preparation to ensure compliance with GRAP standards and any guiding principles issued by Accounting Standards Board and National Treasury.

##### **Date of council approval:**

With budget (31 May 2010)

#### **11.7 Virement Policy**

##### **Purpose/Basic areas covered by policy/main objective**

The virement policy establishes the framework for managers to manage their respective budgets within certain limitations. It also ensure good budgeting practices en effective financial management.

##### **Date of council approval:**

With budget (31 May 2010)

### **11.8 Supply Chain Policy**

**Purpose/Basic areas covered by policy/main objective**

Dictates procedures for the procurement of goods and services.

**Date of council approval:**

With budget (31 May 2010)

### **11.9 Borrowing Policy**

**Purpose/Basic areas covered by policy/main objective**

The objective of this policy is to ensure that the Municipality's borrowing practices at all times comply with the relevant laws and best practices.

The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk.

**Date of council approval:**

With budget (31 May 2010)

### **11.10 Fixed Assets Management Policy**

**Purpose/Basic areas covered by policy/main objective**

The fixed assets management policy is designed to ensure management of Municipal assets in efficient and effective manner with regard to acquisition, utilisation, control, maintenance and disposal of assets. The policy guides directorates/departments and staff in their responsibility and duties for control of their assets.

**Date of council approval:**

With budget (31 May 2010)

### **11.11 Funding and Reserves Policy**

**Purpose/Basic areas covered by policy/main objective**

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

**Date of council approval:**

With budget (31 May 2010)

## **11.12 Policy On The Use and Application of Information Technology**

### **Purpose/Basic areas covered by policy/main objective**

The purpose of this policy is to provide guidance to all current and future users of the information technology (IT) network, consisting of a variety of servers, personal computers, network printers and direct printers, to ensure that the system is properly managed, optimally used, applied to the best advantage of the municipality, and to prevent abuse of the system.

This policy cannot lay down rules to cover every possible situation. Instead, it is designed to express the municipality's philosophy and set out the general principles that employees should apply when using computers.

### **Date of council approval:**

With budget ( 10 May 2010)

## **Section 12**

### **12. OVERVIEW OF BUDGET FUNDING AND FUNDING COMPLIANCE**

#### **12.1 Funding the Budget**

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

#### **12.2 A credible budget**

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and on past performance and supported by documented evidence of future assumptions;
- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic. Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

### 12.3 Fiscal Overview of Tsolwanan Municipality

Over the past financial years via sound and strong financial management, Tsolwana Municipality has moved internally to a position of relative financial stability. There is also a high level of compliance with the Municipal Finance Management Act and other legislation directly affecting financial management.

For the first time in years the municipality received a unqualified audit report from the Auditor-General. The municipality also adopted GRAP standards in 2008/2009 and also prepared its AFS for 2009/2010 as per GRAP standards and per exemptions in Directive 4

Municipality fully adopted GRAP standard with its AFS of 2011/12

### 12.4 Long term financial planning

The municipality's financial position is sound and this budget further ensures that it stays sound. However, the council intend to raise an external in 2011/2012 in order to address the bad condition of the internal roads by buying road machinery for a road plant.. The positive effect of this investment will by far outweigh the cost of the investment.

The municipality plans to continue exercising strict financial management and ensuring a cash flow which meets the requirements.

Since the 2008/2009 financial year, the municipality received its MIG allocation directly and not via Chris Hani District Municipality. This implies that that most of our capital funding are funded from MIG allocation.

It also wants to take up a loan of R13.6 for new office space and drivers and learners testing station..

**However, due to the size and tax base of the municipality, the municipality is starting to reach its ceiling in terms of its own funds and equitable grant to help fund its budget. Priorities need to be prioritised as demands will always outscored resources available.**

As earlier mentioned, the municipality also adopted GRAP standards in 08/09 financial year. The requirements of GRAP standards like for example the effect of depreciation will be seen in future budgets.

## 12.5 Sources of funding

The main sources of funding can be found under SA table 1.

However, the main own funding sources of the municipality comes from property rates and sale of electricity. The municipality is very dependent on the Equitable Share allocation as a funding source of its operating budget. The municipality does not have **any investments** and all money is needed on a real “immediate” scenario. This is why money is rather put in call accounts to obtain a better interest rate then to leave it in cheque account.

## 12.6 Sale of assets

The municipality is in the process of updating its assets register. New valuation roll has also been compiled during 08/09 financial year for implementation in 2009/10. Municipality is in the process to make land available to ease huge housing need for middle income people. Municipality will also use annual stock and asset count to determine absolute and redundant assets and to make a recommendation to council on what to do with it.

## 12.7 Borrowing

The MFMA prescribes the conditions within which municipalities may borrow through either short or long term debt.

The Act stipulates that short term debt can be used to meet immediate cash flow needs but that it must be fully repaid within the financial year in which it was incurred. Long term debt can only be incurred for capital expenditure or to re-finance existing long term debt. Proposals to incur long term debt must go through a public consultation process.

The cash flow projections will determine the likely need to borrow short term. It is not projected that any short term borrowing will be required over the MTREF period.

The ratios as set out in the Cash and Management Investment policy are used to establish prudential levels of borrowing in terms of affordability and the overall indebtedness of the Municipality.

Based on these measures of affordability, the Municipality has made the following budgeted provisions for new borrowing for capital expenditure over the MTREF.

R '000	2012/13	2013/14	2014/15
Long-term borrowing	R13.6 million		

### **Section 13**

#### **13. GRANT EXPENDITURE AND ALLOCATIONS**

The grants programme its expenditure on transfers can be found under SA table 19.

Details of each grant are shown in the schedule that follows:



**National and Provincial Conditional Grant Allocations 2011/12 to 2013/14**

Name of Grant	Operating/capital	Allocation authority/department	Amount 2012/13 R'000	Amount 2013/14 R'000	Amount 2014/15 R'000	Purpose of grant
Library Services	Operating	Province/ Cultural Affairs and Sport	660	712	772	To enable public libraries to render an improved service by addressing staffing shortages and operating needs. <b>However, no formal correspondence received on any allocation that will be transferred to municipality</b>
Councillor remuneration	Operating	National Treasury	1 633	1 894	2 000	To assist municipalities with the cost of cllr remuneration
Local Government Financial Mng grant (FMG)	Operating	National Treasury	1 500	1 500	1 750	To promote and support reforms in financial mng by building capacity in municipalities to implement MFMA
Municipal Systems Improvement Grant (MSIG)	Operating	COGTA	800	870	950	To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems
Municipal Infrastructure Grant (MIG)	Operating/ Capital	COGTA	11 683	12 324	13 037	To supplement capital finance for basic municipal infrastructure. The operating portion is

						utilised for project management 8unit.
Equitable Share	Operating	National Treasury	23 108	24 747	26 582	The equitable share of national revenue in accordance with the requirements of the Constitution.
EPWP	Incentive	National Public works	1 000			To assist with job creation

## Section 14

### 14. ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Any allocation made to an outside body must comply with the requirements of section 67 of the MFMA. This stipulates that before transferring funds to an outside organisation the Municipal Manager, as Accounting Officer, must be satisfied that the organisation or body has the capacity to comply with the agreement and has adequate financial management and other systems in place.

National Treasury further indicated in MFMA circular 51 that no more “discretionary” funds may be appropriated in the budget due to such funds not being transparent during the consultation process.

**The municipality did not budget to make any grant transfers to any outside organisation/body or other organ of state.**

## Section 15

### 15. COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Supporting tables SA 22 and SA 23 summarises the salary, allowances and benefits over the MTREF.

## **Section 16**

### **16. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)**

The Municipality's service delivery and budget implementation plan can be found under the Municipality's final IDP reviewed document for 2012/13 under section 16 pages 167-209.

## **Section 17**

### **17. INVESTMENTS**

The municipality does not have any money **that makes the definition of investment**. However, most money is easily needed on an 'immediate' sort of scenario. That's why money not immediately needed is put in call accounts to attract a better interest rate than what you might get from a current account.

## **Section 18**

### **18. CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS**

The municipality does not have any roll – over contracts with budget implications, other than the delivery of water and sanitation as a Water Service Provider as per arrangement with the Chris Hani District Municipality.

## **Section 19**

### **19. CAPITAL EXPENDITURE AND PREVIOUSLY DELAYED PROJECTS**

Capital expenditure details are listed in supporting tables 34 to SA37

The municipality do not have any projects that were delayed in previous financial years.

## **Section 20**

### **20. ANNUAL BUDGETS AND SERVICE DELIVERY AGREEMENTS- MUNICIPAL ENTITIES AND OTHER EXTERNAL MECHANISMS**

#### **20.1 Entities**

The municipality does not have any entities.

## 20.2 Other External Service Delivery Mechanisms.

The municipality has no other service delivery agreements with external parties for the delivery of the Municipality's services.

The municipality provides the water – and sanitation functions as the Water Service Provider on behalf of the Chris Hani District Municipality who is the Water Services Authority.

## Section 21

### 21. LEGISLATION COMPLIANCE STATUS

#### Municipal Finance Management Act - No 56 of 2003

The MFMA became effective on 1<sup>st</sup> July 2004. The Act modernises budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. Tsolwana has been designated as a medium capacity municipality.

The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

#### The MFMA and the budget

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

##### The budget preparation process

*The Mayor must lead the budget preparation process through a co-ordinated cycle of events that commences at least ten months prior to the start of each financial year.*

##### Overview

The MFMA requires a Council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and any particulars on borrowings, investments, municipal entities, service delivery agreements, grant allocations and details of employment costs.

The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

##### Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable is prepared by senior management and tabled by the Mayor for Council adoption by 31 August (ten months before the commencement of the next budget year).

##### Budget preparation and review of IDP and policy

The Mayor must co-ordinate the budget preparation process and the review of Council's IDP and budget-related policy, with the assistance of the municipal manager.

The Mayor must ensure that the IDP review forms an integral part of the budget process and that any changes to strategic priorities as contained in the IDP document have realistic projections of revenue and expenditure. In developing the budget, the management must take into account national and provincial budgets, the national fiscal and macro-economic policy and other relevant agreements or Acts of Parliament. The Mayor must consult with the relevant district Council and all other local municipalities in that district as well as the relevant provincial treasury and the National Treasury when preparing the budget, and must provide the National Treasury and other government departments with certain information on request.

This process of development should ideally occur between August and November, so that draft consolidated three-year budget proposals, IDP amendments and policies can be made available during December and January. This allows time during January, February and March for preliminary consultation and discussion on the draft budget.

#### Tabling of the draft budget

The initial draft budget must be tabled by the Mayor before Council for review by 31 March.

#### Publication of the draft budget

Once tabled at Council, the Municipal Manager must make public the appropriate budget documentation and submit it to National Treasury and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

#### Opportunity to comment on draft budget

When the draft budget is tabled, Council must consider the views of the local community, the National Treasury and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

#### Opportunity for revisions to draft budget

After considering all views and submissions, Council must provide an opportunity for the Mayor to respond to the submissions received and if necessary to revise the budget and table amendments for Council's consideration.

Following the tabling of the draft budget at the end of March, the months of April and May should be used to accommodate public and government comment and to make any revisions that may be necessary. This may take the form of public hearings, Council debates, formal or informal delegations to the National Treasury, provincial treasury and other municipalities, or any other consultative forums designed to address stakeholder priorities.

#### Adoption of the annual budget

The Council must then consider the approval of the budget by 31 May and must formally adopt the budget by 30 June. This provides a 30-day window for Council to revise the budget several times before its final approval.

If a Council fails to approve its budget at its first meeting, it must reconsider it, or an amended draft, again within seven days and it must continue to do so until it is finally approved – before 1 July.

Once approved, the Municipal Manager must place the budget on the municipality's website within five days.

## BUDGET IMPLEMENTATION

### Implementation management – the Service Delivery and Budget Implementation Plan (SDBIP)

The Municipal Manager must within fourteen days of the approval of the annual budget (by 14 July at the latest) submit to the Mayor for approval a draft SDBIP and draft annual performance agreements for all pertinent senior staff.

An SDBIP is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The Mayor must approve the draft SDBIP within 28 days of the approval of the annual budget (by 28 July at the latest).

This plan must then be monitored by the Mayor and reported on to Council on a regular basis.

### Managing the implementation process

The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

### Variation from budget estimates

Generally, Councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if Council has approved the project.

Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful. Unauthorised expenditure must be reported and may result in criminal proceedings.

### Revision of budget estimates – the adjustments budget

It may be necessary on occasion for a Council to consider a revision of its original budget, owing to material and significant changes in revenue collections, expenditure patterns, or forecasts thereof for the remainder of the financial year.

In such cases a municipality may adopt an adjustments budget, prepared by the municipal manager and submitted to the Mayor for consideration and tabling at Council for adoption.

The adjustments budget must contain certain prescribed information, it may not result in further increases in taxes and tariffs and it must contain appropriate justifications and supporting material when approved by Council.

### **Requirements of the MFMA relating to the contents of annual budgets and supporting documentation**

Section 17 of the MFMA stipulates that an annual budget of a municipality must be a schedule in the prescribed format and sets out what must be included in that format. In its MFMA circular 48, National Treasury set out detailed guidance on the contents of budget documentation and the supporting schedules. Tsoelwana Municipality has made every effort to comply with the circular.

The following table shows how Tsoelwana Municipality complies with the disclosure requirements of section 17 of the MFMA.

Requirement	Disclosure in budget documentation
Schedule of reasonably anticipated revenue for the budget year from each revenue source	A4
Schedule showing appropriations of expenditure for the budget year under the different votes of the	A3

Municipality	
Schedule setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year	A3 and A4
Schedule setting out- (i) estimated revenue and expenditure by vote for the current year and (ii) Actual revenue and expenditure by vote for the financial year preceding the current year.	A3 and A4
Draft resolutions - (i) approving the budget of the Municipality (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year and (iii) Approving any other matters that may be prescribed.	Section 4
Measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the Municipality's Integrated Development Plan.	Section 22 and SA 7
Projection of cash flow for the budget year by revenue source broken down per month	SA 25 – SA 26
Proposed amendments to the Municipality's integrated development plan following the annual review of the IDP in terms of section 34 of the Municipal Systems Act	Section 9
Particulars of the Municipality's investments	Section 17 and SA 16
Any prescribe information on municipal entities under the sole or shared control of the Municipality	N/a
Particulars of all proposed new municipal entities which the Municipality intends to establish or in which the Municipality intends to participate	N/a
Particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements	Section 20
Particulars of any proposed allocations or grants by the municipality to- (i) other municipalities (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers (iii) any other organs of state	Section 14

(iv) any organisations or bodies referred to in section 67 (1) (bodies outside Government)	
The proposed cost to the municipality for the budget year of the salary, allowances and benefits of- (i) each political office bearer of the Municipality (ii) Councillors of the municipality (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality having a remuneration package greater than or equal to that of a senior manager	Section 15
The proposed cost for the budget year to a municipal entity under the sole or shared control of the Municipality of the salary, allowances and benefits of- (i) each member of the entity's board of directors and (ii) the chief executive officer and each senior manager of the entity	N/a
The proposed cost for the budget year to a municipal entity under the sole or shared control of the Municipality of the salary, allowances and benefits of- (i) each member of the entity's board of directors and (ii) the chief executive officer and each senior manager of the entity	N/a
Any other supporting documentation as may be prescribed	SA forms

### Other Legislation

In addition to the MFMA, the following legislation also influences municipal budgeting;  
The Division of Revenue Act 2010 and Provincial Budget Announcements

Three year national allocations to local government are published per municipality each year in the Division of Revenue Act. The Act places duties on municipalities in addition to the requirements of the MFMA, specifically with regard to reporting obligations.

Allocations to the Municipality from Provincial Government are announced and published in the Provincial budget.

Section 18 of the MFMA states that annual budgets may only be funded from reasonably anticipated revenues to be collected. The provision in the budget for allocations from National and Provincial Government should reflect the allocations announced in the DORA or in the relevant Provincial Gazette.

The Municipal Systems Act - No 32 of 2000 and Municipal Systems Amendment Act no 44 of 2003

One of the key objectives of the Municipal Systems Act is to ensure financially and economically viable communities. The requirements of the Act link closely to those of the MFMA. In particular, the following requirements need to be taken into consideration in the budgeting process;

- Chapters 4 and 5 relating to community participation and the requirements for the Integrated Development Planning process.



- Chapter 6 relates to performance management which links with the requirements for the budget to contain measurable performance objectives and quarterly performance targets in the Service Delivery and Budget Implementation Plan.
- Chapter 8 relates to the requirement to produce a tariff policy.

## **Section 22**

### **22. OTHER SUPPORTING DOCUMENTS**

More details on the budget can be found in the supporting tables SA 1 – SA 3

## **Section 23**

### **23 MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

I, S.J. Dayi, Municipal Manager of Tsohwana Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.



.....

S.J. Dayi

Municipal Manager of Tsohwana Municipality (EC 132)

Date: 30 March 2012

# Municipal annual budgets and MTREF & supporting tables

Version 2.4

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**Accountability**

**Transparency**

**Information &  
service delivery**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

## Contact details:

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Electronic documents: [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za)

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - EXECUTIVE COUNCIL	Vote 1 - EXECUTIVE COUNCIL	
Vote 2 - BUDGET AND TREASURY	1.1 MUNICIPAL MANAGER	1.1 - MUNICIPAL MANAGER
Vote 3 - CORPORATE SERVICES	1.2 GENERAL COUNCIL	1.2 - GENERAL COUNCIL
Vote 4 - COMMUNITY SERVICES	1.3 (Name of sub-vote)	
Vote 5 - TECHNICAL SERVICES	1.4 (Name of sub-vote)	
Vote 6 - (NAME OF VOTE 6)	1.5 (Name of sub-vote)	
Vote 7 - (NAME OF VOTE 7)	1.6 (Name of sub-vote)	
Vote 8 - (NAME OF VOTE 8)	1.7 (Name of sub-vote)	
Vote 9 - (NAME OF VOTE 9)	1.8 (Name of sub-vote)	
Vote 10 - (NAME OF VOTE 10)	1.9 (Name of sub-vote)	
Vote 11 - (NAME OF VOTE 11)	1.10 (Name of sub-vote)	
Vote 12 - (NAME OF VOTE 12)	2.1 FINANCE	2.1 - FINANCE
Vote 13 - (NAME OF VOTE 13)	2.2 (Name of sub-vote)	
Vote 14 - (NAME OF VOTE 14)	2.3 (Name of sub-vote)	
Vote 15 - (NAME OF VOTE 15)	2.4 (Name of sub-vote)	
	2.5 (Name of sub-vote)	
	2.6 (Name of sub-vote)	
	2.7 (Name of sub-vote)	
	2.8 (Name of sub-vote)	
	2.9 (Name of sub-vote)	
	2.10 (Name of sub-vote)	
Vote 3 - CORPORATE SERVICES	3.1 HUMAN RESOURCE	3.1 - HUMAN RESOURCE
	3.2 (Name of sub-vote)	
	3.3 (Name of sub-vote)	
	3.4 (Name of sub-vote)	
	3.5 (Name of sub-vote)	
	3.6 (Name of sub-vote)	
	3.7 (Name of sub-vote)	
	3.8 (Name of sub-vote)	
	3.9 (Name of sub-vote)	
	3.10 (Name of sub-vote)	
Vote 4 - COMMUNITY SERVICES	4.1 PLANNING AND DEVELOPMENT	4.1 - PLANNING AND DEVELOPMENT
	4.2 COMMUNITY & SOCIAL (LIBRARIES)	4.2 - COMMUNITY & SOCIAL (LIBRARIES)
	4.3 COMMUNITY & SOCIAL (CEMETERIES)	4.3 - COMMUNITY & SOCIAL (CEMETERIES)
	4.4 SPORT RECREATION	4.4 - SPORT RECREATION
	4.5 PUBLIC SAFETY	4.5 - PUBLIC SAFETY
	4.6 WASTE MANAGEMENT	4.6 - WASTE MANAGEMENT
	4.7 (Name of sub-vote)	
	4.8 (Name of sub-vote)	
	4.9 (Name of sub-vote)	
	4.10 (Name of sub-vote)	
Vote 5 - TECHNICAL SERVICES	5.1 ROADS & STORM WATER	5.1 - ROADS & STORM WATER
	5.2 ELECTRICITY DISTRIBUTION	5.2 - ELECTRICITY DISTRIBUTION
	5.3 WATER	5.3 - WATER
	5.4 SANITATION	5.4 - SANITATION
	5.5 (Name of sub-vote)	
	5.6 (Name of sub-vote)	
	5.7 (Name of sub-vote)	
	5.8 (Name of sub-vote)	
	5.9 (Name of sub-vote)	
	5.10 (Name of sub-vote)	
Vote 6 - (NAME OF VOTE 6)	6.1 (Name of sub-vote)	6.1 - (Name of sub-vote)
	6.2 (Name of sub-vote)	
	6.3 (Name of sub-vote)	
	6.4 (Name of sub-vote)	
	6.5 (Name of sub-vote)	
	6.6 (Name of sub-vote)	
	6.7 (Name of sub-vote)	
	6.8 (Name of sub-vote)	
	6.9 (Name of sub-vote)	
	6.10 (Name of sub-vote)	
Vote 7 - (NAME OF VOTE 7)	7.1 (Name of sub-vote)	7.1 - (Name of sub-vote)
	7.2 (Name of sub-vote)	
	7.3 (Name of sub-vote)	
	7.4 (Name of sub-vote)	
	7.5 (Name of sub-vote)	
	7.6 (Name of sub-vote)	
	7.7 (Name of sub-vote)	
	7.8 (Name of sub-vote)	
	7.9 (Name of sub-vote)	
	7.10 (Name of sub-vote)	
Vote 8 - (NAME OF VOTE 8)	8.1 (Name of sub-vote)	8.1 - (Name of sub-vote)
	8.2 (Name of sub-vote)	
	8.3 (Name of sub-vote)	
	8.4 (Name of sub-vote)	
	8.5 (Name of sub-vote)	
	8.6 (Name of sub-vote)	
	8.7 (Name of sub-vote)	
	8.8 (Name of sub-vote)	
	8.9 (Name of sub-vote)	
	8.10 (Name of sub-vote)	
Vote 9 - (NAME OF VOTE 9)	9.1 (Name of sub-vote)	9.1 - (Name of sub-vote)
	9.2 (Name of sub-vote)	
	9.3 (Name of sub-vote)	
	9.4 (Name of sub-vote)	
	9.5 (Name of sub-vote)	
	9.6 (Name of sub-vote)	
	9.7 (Name of sub-vote)	
	9.8 (Name of sub-vote)	
	9.9 (Name of sub-vote)	
	9.10 (Name of sub-vote)	
Vote 10 - (NAME OF VOTE 10)	10.1 (Name of sub-vote)	10.1 - (Name of sub-vote)
	10.2 (Name of sub-vote)	
	10.3 (Name of sub-vote)	
	10.4 (Name of sub-vote)	
	10.5 (Name of sub-vote)	
	10.6 (Name of sub-vote)	
	10.7 (Name of sub-vote)	
	10.8 (Name of sub-vote)	
	10.9 (Name of sub-vote)	
	10.10 (Name of sub-vote)	
Vote 11 - (NAME OF VOTE 11)	11.1 (Name of sub-vote)	11.1 - (Name of sub-vote)
	11.2 (Name of sub-vote)	
	11.3 (Name of sub-vote)	
	11.4 (Name of sub-vote)	
	11.5 (Name of sub-vote)	
	11.6 (Name of sub-vote)	
	11.7 (Name of sub-vote)	
	11.8 (Name of sub-vote)	
	11.9 (Name of sub-vote)	
	11.10 (Name of sub-vote)	
Vote 12 - (NAME OF VOTE 12)	12.1 (Name of sub-vote)	12.1 - (Name of sub-vote)
	12.2 (Name of sub-vote)	
	12.3 (Name of sub-vote)	
	12.4 (Name of sub-vote)	
	12.5 (Name of sub-vote)	
	12.6 (Name of sub-vote)	
	12.7 (Name of sub-vote)	
	12.8 (Name of sub-vote)	
	12.9 (Name of sub-vote)	
	12.10 (Name of sub-vote)	
Vote 13 - (NAME OF VOTE 13)	13.1 (Name of sub-vote)	13.1 - (Name of sub-vote)
	13.2 (Name of sub-vote)	
	13.3 (Name of sub-vote)	
	13.4 (Name of sub-vote)	
	13.5 (Name of sub-vote)	
	13.6 (Name of sub-vote)	
	13.7 (Name of sub-vote)	
	13.8 (Name of sub-vote)	
	13.9 (Name of sub-vote)	
	13.10 (Name of sub-vote)	
Vote 14 - (NAME OF VOTE 14)	14.1 (Name of sub-vote)	14.1 - (Name of sub-vote)
	14.2 (Name of sub-vote)	
	14.3 (Name of sub-vote)	
	14.4 (Name of sub-vote)	
	14.5 (Name of sub-vote)	
	14.6 (Name of sub-vote)	
	14.7 (Name of sub-vote)	
	14.8 (Name of sub-vote)	
	14.9 (Name of sub-vote)	
	14.10 (Name of sub-vote)	
Vote 15 - (NAME OF VOTE 15)	15.1 (Name of sub-vote)	15.1 - (Name of sub-vote)
	15.2 (Name of sub-vote)	
	15.3 (Name of sub-vote)	
	15.4 (Name of sub-vote)	
	15.5 (Name of sub-vote)	
	15.6 (Name of sub-vote)	
	15.7 (Name of sub-vote)	
	15.8 (Name of sub-vote)	
	15.9 (Name of sub-vote)	
	15.10 (Name of sub-vote)	

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# EC132 Tsolwana - Contact Information

## A. GENERAL INFORMATION

Municipality EC132 Tsolwana

Grade

1 Grade in terms of the Remuneration of Public Office Bearers Act.

Province EC EASTERN CAPE

Web Address

e-mail Address

## B. CONTACT INFORMATION

Postal address:

P.O. Box 21

City / Town Tarkastad

Postal Code 5370

Street address

Building 12

Street No. & Name Murray Street

City / Town Tarkastad

Postal Code 5370

General Contacts

Telephone number 0458460033

Fax number 045 846 0025

## C. POLITICAL LEADERSHIP

Speaker:

Name

Telephone number

Cell number

Fax number

E-mail address

Secretary/PA to the Speaker:

Name

Telephone number

Cell number

Fax number

E-mail address

Mayor/Executive Mayor:

Name Khayalethu Nqiqhi

Telephone number 0458460033

Cell number 0795166558

Fax number 045 8460025

E-mail address

Secretary/PA to the Mayor/Executive Mayor:

Name

Telephone number

Cell number

Fax number

E-mail address

Deputy Mayor/Executive Mayor:

Name

Telephone number

Cell number

Fax number

E-mail address

Secretary/PA to the Deputy Mayor/Executive Mayor:

Name

Telephone number

Cell number

Fax number

E-mail address

## D. MANAGEMENT LEADERSHIP

Municipal Manager:

Name Similo Dayi

Telephone number 0458460033

Cell number 0795166440

Fax number 0458460025

E-mail address similo.dayi@lgnet.org.za

Secretary/PA to the Municipal Manager:

Name

Telephone number

Cell number

Fax number

E-mail address

Chief Financial Officer

Name Gerald De Jager

Telephone number 045 8460033

Cell number 0823366315

Fax number 0866102730

E-mail address gerald.dejaer@gmail.com

Secretary/PA to the Chief Financial Officer

Name

Telephone number

Cell number

Fax number

E-mail address

Official responsible for submitting financial information

Name Ngcwelekazi Smith

Telephone number 0458460033

Cell number 0833317416

Fax number 458 460 025

E-mail address ngcwelekazi.smith@yahoo.com

Choose name from list - Table A1 Budget Summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	1 048	222	1 124	1 562	1 142	1 142	1 142	1 300	1 390	1 430
Service charges	2 967	3 616	4 648	4 340	4 736	4 736	4 736	7 700	8 789	10 371
Investment revenue	957	802	567	665	284	284	284	342	365	400
Transfers recognised - operational	35 431	45 008	29 921	25 604	27 758	27 758	27 758	29 870	30 956	33 358
Other own revenue	1 390	1 356	#REF!	10 956	10 799	10 799	10 799	10 392	11 215	12 098
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>41 793</b>	<b>51 004</b>	<b>#REF!</b>	<b>43 127</b>	<b>44 719</b>	<b>44 719</b>	<b>44 719</b>	<b>49 604</b>	<b>52 714</b>	<b>57 658</b>
Employee costs	6 014	6 874	14 235	16 352	16 108	16 108	16 108	21 009	22 716	24 935
Remuneration of councillors	1 937	1 742	1 999	2 193	2 202	2 202	2 202	2 422	2 664	2 930
Depreciation & asset impairment	-	-	5 474	3 523	3 523	3 523	3 523	6 075	7 290	7 946
Finance charges	17	20	31	124	194	194	194	160	165	70
Materials and bulk purchases	2 671	3 867	5 371	6 532	7 629	7 629	7 629	8 597	10 274	12 232
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	27 099	36 943	17 428	18 614	19 906	19 906	19 906	17 414	16 645	17 639
<b>Total Expenditure</b>	<b>37 739</b>	<b>49 445</b>	<b>44 537</b>	<b>47 338</b>	<b>49 561</b>	<b>49 561</b>	<b>49 561</b>	<b>55 677</b>	<b>59 754</b>	<b>65 752</b>
<b>Surplus/(Deficit)</b>	<b>4 054</b>	<b>1 558</b>	<b>#REF!</b>	<b>(4 211)</b>	<b>(4 842)</b>	<b>(4 842)</b>	<b>(4 842)</b>	<b>(6 073)</b>	<b>(7 040)</b>	<b>(8 094)</b>
Transfers recognised - capital	6 044	12 478	9 842	14 834	15 389	15 389	15 389	12 515	13 592	16 733
Contributions recognised - capital & contributed asset	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>10 098</b>	<b>14 036</b>	<b>#REF!</b>	<b>10 623</b>	<b>10 547</b>	<b>10 547</b>	<b>10 547</b>	<b>6 442</b>	<b>6 551</b>	<b>8 639</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>10 098</b>	<b>14 036</b>	<b>#REF!</b>	<b>10 623</b>	<b>10 547</b>	<b>10 547</b>	<b>10 547</b>	<b>6 442</b>	<b>6 551</b>	<b>8 639</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	5 718	11 440	9 164	20 034	19 063	19 063	19 063	27 353	11 092	11 733
Transfers recognised - capital	5 301	10 945	8 306	14 834	17 263	17 263	17 263	12 515	11 092	11 733
Public contributions & donations	-	-	-	-	20	20	20	-	-	-
Borrowing	-	-	-	3 600	1 300	1 300	1 300	13 603	-	-
Internally generated funds	417	495	858	1 600	480	480	480	1 235	-	-
<b>Total sources of capital funds</b>	<b>5 718</b>	<b>11 440</b>	<b>9 164</b>	<b>20 034</b>	<b>19 063</b>	<b>19 063</b>	<b>19 063</b>	<b>27 353</b>	<b>11 092</b>	<b>11 733</b>
<b>Financial position</b>										
Total current assets	12 640	20 881	21 688	7 358	24 088	24 088	24 088	26 497	26 629	26 762
Total non current assets	96 936	106 276	87 302	136 156	88 730	88 730	88 730	91 519	91 990	92 465
Total current liabilities	7 125	9 481	8 988	2 132	8 988	8 988	8 988	5 233	5 259	5 286
Total non current liabilities	1 216	2 438	2 829	5 948	4 257	4 257	4 257	3 253	3 282	3 314
Community wealth/Equity	100 209	114 245	99 573	135 433	99 573	99 573	99 573	109 530	110 078	110 628
<b>Cash flows</b>										
Net cash from (used) operating	1 987	15 477	5 542	14 146	15 071	15 071	15 071	12 624	14 020	16 754
Net cash from (used) investing	(5 404)	(11 305)	(9 400)	(20 034)	(23 438)	(23 438)	(23 438)	(20 019)	(19 794)	(21 205)
Net cash from (used) financing	167	41	(30)	3 555	1 554	1 554	1 554	1 121	1 233	1 357
<b>Cash/cash equivalents at the year end</b>	<b>10 058</b>	<b>14 271</b>	<b>10 384</b>	<b>7 005</b>	<b>7 353</b>	<b>7 353</b>	<b>7 353</b>	<b>1 080</b>	<b>(3 460)</b>	<b>(6 554)</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	10 058	14 271	10 278	5 692	10 278	10 278	10 278	11 306	11 362	11 419
Application of cash and investments	7 210	4 276	5 614	(562)	(5 089)	(5 089)	(5 089)	(10 108)	(9 896)	(9 932)
<b>Balance - surplus (shortfall)</b>	<b>2 848</b>	<b>9 996</b>	<b>4 664</b>	<b>6 254</b>	<b>15 367</b>	<b>15 367</b>	<b>15 367</b>	<b>21 414</b>	<b>21 258</b>	<b>21 351</b>
<b>Asset management</b>										
Asset register summary (WDV)	96 936	106 276	27 861	213	81 693	88 466	25 994	25 994	26 137	26 283
Depreciation & asset impairment	-	-	5 474	3 523	3 523	3 523	6 075	6 075	7 290	7 946
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	0	-	-	0	0	-	-
Revenue cost of free services provided	-	-	-	4 798	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	2	-	-	-	-	-	-
Refuse:	-	-	-	7	-	-	-	-	-	-

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		14 673	15 876	18 147	18 872	16 091	16 091	18 292	19 906	21 456
Executive and council		3 889	4 550	3 627	8 174	4 864	4 864	5 843	6 128	6 565
Budget and treasury office		8 708	7 084	10 463	7 092	6 617	6 617	7 433	8 339	9 039
Corporate services		2 076	4 242	4 057	3 606	4 610	4 610	5 016	5 439	5 851
<i>Community and public safety</i>		3 689	2 855	6 121	7 001	7 090	7 090	12 722	4 804	9 832
Community and social services		614	241	564	884	786	786	861	1 021	1 103
Sport and recreation		2 983	2 512	5 296	5 971	5 997	5 997	11 104	2 956	7 832
Public safety		92	103	261	146	306	306	758	827	897
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		22 574	30 827	11 038	7 033	11 086	11 086	6 368	11 449	9 863
Planning and development		20 523	27 015	8 343	3 725	4 660	4 660	5 209	5 763	6 176
Road transport		2 052	3 811	2 695	3 308	6 426	6 426	1 159	5 686	3 687
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		6 901	13 923	11 765	25 055	25 842	25 842	24 736	30 146	33 239
Electricity		5 004	11 714	9 139	11 330	11 900	11 900	11 222	16 770	18 573
Water		-	-	-	5 733	6 066	6 066	6 126	5 974	6 464
Waste water management		-	-	-	4 463	2 916	2 916	3 700	4 602	4 946
Waste management		1 897	2 209	2 626	3 529	4 960	4 960	3 687	2 799	3 257
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>2</b>	<b>47 837</b>	<b>63 482</b>	<b>47 071</b>	<b>57 961</b>	<b>60 108</b>	<b>60 108</b>	<b>62 119</b>	<b>66 306</b>	<b>74 391</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		11 615	15 883	21 864	17 608	18 878	18 878	22 115	22 286	24 104
Executive and council		3 734	6 016	8 037	6 831	7 205	7 205	9 406	10 482	11 406
Budget and treasury office		5 621	6 710	9 867	7 134	7 026	7 026	7 553	6 199	6 663
Corporate services		2 259	3 157	3 960	3 643	4 647	4 647	5 156	5 605	6 034
<i>Community and public safety</i>		373	820	1 155	1 695	1 714	1 714	2 688	2 961	3 184
Community and social services		342	480	820	937	792	792	1 091	1 198	1 293
Sport and recreation		25	338	330	613	619	619	839	936	994
Public safety		6	2	6	-	302	302	758	827	897
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	146	-	-	-	-	-
<i>Economic and environmental services</i>		20 581	26 985	10 817	5 644	5 951	5 951	7 368	6 883	7 359
Planning and development		20 250	26 947	9 296	3 909	5 098	5 098	5 659	4 890	5 299
Road transport		331	38	1 521	1 735	853	853	1 709	1 993	2 060
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5 169	5 758	10 701	22 391	23 018	23 018	23 506	27 624	31 104
Electricity		3 720	4 425	7 894	7 592	8 543	8 543	9 972	11 809	13 887
Water		-	-	-	7 064	6 814	6 814	6 126	7 191	7 869
Waste water management		-	-	-	4 901	2 916	2 916	3 700	4 568	4 911
Waste management		1 449	1 333	2 807	2 834	4 745	4 745	3 707	4 056	4 437
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>37 739</b>	<b>49 445</b>	<b>44 537</b>	<b>47 338</b>	<b>49 561</b>	<b>49 561</b>	<b>55 677</b>	<b>59 754</b>	<b>65 752</b>
<b>Surplus/(Deficit) for the year</b>		<b>10 098</b>	<b>14 036</b>	<b>2 534</b>	<b>10 623</b>	<b>10 547</b>	<b>10 547</b>	<b>6 442</b>	<b>6 551</b>	<b>8 639</b>
<b>References</b>										

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description		Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Revenue - Standard</b>											
<i>Municipal governance and administration</i>											
Executive and council			14 673	15 876	18 147	18 872	16 091	16 091	18 292	19 906	21 456
Mayor and Council			3 889	4 550	3 627	8 174	4 864	4 864	5 843	6 128	6 565
Municipal Manager			2 084	2 343	2 285	2 535	2 621	2 621	2 881	3 149	3 378
Budget and treasury office			1 805	2 206	1 343	5 640	2 243	2 243	2 962	2 979	3 187
Corporate services			8 708	7 084	10 463	7 092	6 617	6 617	7 433	8 339	9 039
Human Resources			2 076	4 242	4 057	3 606	4 610	4 610	5 016	5 439	5 851
Information Technology			2 076	4 242	4 057	3 606	4 610	4 610	5 016	5 439	5 851
Property Services			-	-	-	-	-	-	-	-	-
Other Admin			-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>											
Community and social services			3 689	2 855	6 121	7 001	7 090	7 090	12 722	4 804	9 832
Libraries and Archives			614	241	564	884	786	786	861	1 021	1 103
Museums & Art Galleries etc			469	5	399	608	608	608	661	712	773
Community halls and Facilities			-	-	-	-	-	-	-	-	-
Cemeteries & Crematoriums			-	-	-	-	-	-	-	-	-
Child Care			145	235	165	276	178	178	200	309	331
Aged Care			-	-	-	-	-	-	-	-	-
Other Community			-	-	-	-	-	-	-	-	-
Other Social			-	-	-	-	-	-	-	-	-
Sport and recreation			2 983	2 512	5 296	5 971	5 997	5 997	11 104	2 956	7 832
Public safety			92	103	261	146	306	306	758	827	897
Police			-	-	-	-	-	-	-	-	-
Fire			-	-	-	-	-	-	-	-	-
Civil Defence			-	-	-	-	-	-	-	-	-
Street Lighting			-	-	-	-	-	-	-	-	-
Other			92	103	261	146	306	306	758	827	897
Housing			-	-	-	-	-	-	-	-	-
Health			-	-	-	-	-	-	-	-	-
Clinics			-	-	-	-	-	-	-	-	-
Ambulance			-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>											
Planning and development			22 574	30 827	11 038	7 033	11 086	11 086	6 368	11 449	9 863
Economic Development/Planning			20 523	27 015	8 343	3 725	4 660	4 660	5 209	5 763	6 176
Town Planning/Building enforcement			20 523	27 015	8 343	3 725	4 660	4 660	5 209	5 763	6 176
Licensing & Regulation			-	-	-	-	-	-	-	-	-
Road transport			-	-	-	-	-	-	-	-	-
Roads			2 052	3 811	2 695	3 308	6 426	6 426	1 159	5 686	3 687
Public Buses			2 052	3 811	2 695	3 308	6 426	6 426	1 159	5 686	3 687
Parking Garages			-	-	-	-	-	-	-	-	-
Vehicle Licensing and Testing			-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-
Environmental protection			-	-	-	-	-	-	-	-	-
Pollution Control			-	-	-	-	-	-	-	-	-
Biodiversity & Landscape			-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-
<i>Trading services</i>											
Electricity			6 901	13 923	11 765	25 055	25 842	25 842	24 736	30 146	33 239
Electricity Distribution			5 004	11 714	9 139	11 330	11 900	11 900	11 222	16 770	18 573
Electricity Generation			5 004	11 714	9 139	11 330	11 900	11 900	11 222	16 770	18 573
Water			-	-	-	-	-	-	-	-	-
Water Distribution			-	-	-	5 733	6 066	6 066	6 126	5 974	6 464
Water Storage			-	-	-	5 733	6 066	6 066	6 126	5 974	6 464
Waste water management			-	-	-	-	-	-	-	-	-
Sewerage			-	-	-	4 463	2 916	2 916	3 700	4 602	4 946
Storm Water Management			-	-	-	4 463	2 916	2 916	3 700	4 602	4 946
Public Toilets			-	-	-	-	-	-	-	-	-
Waste management			-	-	-	-	-	-	-	-	-
Solid Waste			1 897	2 209	2 626	3 529	4 960	4 960	3 687	2 799	3 257
Other			1 897	2 209	2 626	3 529	4 960	4 960	3 687	2 799	3 257
Air Transport			-	-	-	-	-	-	-	-	-
Abattoirs			-	-	-	-	-	-	-	-	-
Tourism			-	-	-	-	-	-	-	-	-
Forestry			-	-	-	-	-	-	-	-	-
Markets			-	-	-	-	-	-	-	-	-
Total Revenue - Standard		2	47 837	63 482	47 071	57 961	60 108	60 108	62 119	66 306	74 391
<b>Expenditure - Standard</b>											
<i>Municipal governance and administration</i>											
Executive and council			11 615	15 883	21 864	17 608	18 878	18 878	22 115	22 286	24 104
Mayor and Council			3 734	6 016	8 037	6 831	7 205	7 205	9 406	10 482	11 406
Municipal Manager			2 136	1 956	2 604	2 566	2 652	2 652	2 981	3 268	3 558
Budget and treasury office			1 598	4 060	5 433	4 265	4 553	4 553	6 425	7 214	7 848
Corporate services			5 621	6 710	9 867	7 134	7 026	7 026	7 553	6 199	6 663
Human Resources			2 259	3 157	3 960	3 643	4 647	4 647	5 156	5 605	6 034
Information Technology			2 259	3 157	3 960	3 643	4 647	4 647	5 156	5 605	6 034
Property Services			-	-	-	-	-	-	-	-	-
Other Admin			-	-	-	-	-	-	-	-	-



<b>Community and public safety</b>	373	820	1 155	1 695	1 714	1 714	2 688	2 961	3 184
Community and social services	342	480	820	937	792	792	1 091	1 198	1 293
Libraries and Archives	256	356	661	661	630	630	891	988	1 073
Museums & Art Galleries etc	-	-	-	-	-	-	-	-	-
Community halls and Facilities	-	-	-	-	-	-	-	-	-
Cemeteries & Crematoriums	85	124	159	276	162	162	200	210	220
Child Care	-	-	-	-	-	-	-	-	-
Aged Care	-	-	-	-	-	-	-	-	-
Other Community	-	-	-	-	-	-	-	-	-
Other Social	-	-	-	-	-	-	-	-	-
Sport and recreation	25	338	330	613	619	619	839	936	994
Public safety	6	2	6	-	302	302	758	827	897
Police	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Civil Defence	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Other	6	2	6	-	302	302	758	827	897
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	146	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Ambulance	-	-	-	-	-	-	-	-	-
Other	-	-	-	146	-	-	-	-	-
<b>Economic and environmental services</b>	20 581	26 985	10 817	5 644	5 951	5 951	7 368	6 883	7 359
Planning and development	20 250	26 947	9 296	3 909	5 098	5 098	5 659	4 890	5 299
Economic Development/Planning	20 250	26 947	9 296	3 909	5 098	5 098	5 659	4 890	5 299
Town Planning/Building enforcement	-	-	-	-	-	-	-	-	-
Licensing & Regulation	-	-	-	-	-	-	-	-	-
Road transport	331	38	1 521	1 735	853	853	1 709	1 993	2 060
Roads	331	38	1 521	1 735	853	853	1 709	1 993	2 060
Public Buses	-	-	-	-	-	-	-	-	-
Parking Garages	-	-	-	-	-	-	-	-	-
Vehicle Licensing and Testing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
Pollution Control	-	-	-	-	-	-	-	-	-
Biodiversity & Landscape	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	5 169	5 758	10 701	22 391	23 018	23 018	23 506	27 624	31 104
Electricity	3 720	4 425	7 894	7 592	8 543	8 543	9 972	11 809	13 887
Electricity Distribution	3 720	4 425	7 894	7 592	8 543	8 543	9 972	11 809	13 887
Electricity Generation	-	-	-	-	-	-	-	-	-
Water	-	-	-	7 064	6 814	6 814	6 126	7 191	7 869
Water Distribution	-	-	-	7 064	6 814	6 814	6 126	7 191	7 869
Water Storage	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	4 901	2 916	2 916	3 700	4 568	4 911
Sewerage	-	-	-	4 901	2 916	2 916	3 700	4 568	4 911
Storm Water Management	-	-	-	-	-	-	-	-	-
Public Toilets	-	-	-	-	-	-	-	-	-
Waste management	1 449	1 333	2 807	2 834	4 745	4 745	3 707	4 056	4 437
Solid Waste	1 449	1 333	2 807	2 834	4 745	4 745	3 707	4 056	4 437
Other	-	-	-	-	-	-	-	-	-
Air Transport	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	37 739	49 445	44 537	47 338	49 561	55 677	59 754	65 752
<b>Surplus/(Deficit) for the year</b>		10 098	14 036	2 534	10 623	10 547	6 442	6 551	8 639

#### References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
2. Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
4. All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and it used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

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Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		3 889	4 550	3 627	8 174	4 864	4 864	5 843	6 128	6 565
Vote 2 - BUDGET AND TREASURY		2 076	4 242	10 463	7 092	6 617	6 617	7 433	8 339	9 039
Vote 3 - CORPORATE SERVICES		8 708	7 084	4 057	3 606	4 610	4 610	5 016	5 439	5 851
Vote 4 - COMMUNITY SERVICES		26 109	32 080	17 090	14 255	16 710	16 710	21 618	13 366	19 265
Vote 5 - TECHNICAL SERVICES		7 055	15 525	11 834	24 833	27 307	27 307	22 208	33 033	33 670
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	47 837	63 482	47 071	57 961	60 108	60 108	62 119	66 306	74 391
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE COUNCIL		3 734	6 016	8 037	6 831	7 205	7 205	9 406	10 482	11 406
Vote 2 - BUDGET AND TREASURY		5 621	6 710	9 867	7 134	7 026	7 026	7 553	6 199	6 663
Vote 3 - CORPORATE SERVICES		2 259	3 157	3 960	3 643	4 647	4 647	5 156	5 605	6 034
Vote 4 - COMMUNITY SERVICES		22 073	29 100	13 259	8 438	11 557	11 557	12 054	11 908	12 920
Vote 5 - TECHNICAL SERVICES		4 051	4 462	9 415	21 292	19 126	19 126	21 508	25 561	28 728
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	37 739	49 445	44 537	47 338	49 561	49 561	55 677	59 754	65 752
Surplus/(Deficit) for the year	2	10 098	14 036	2 534	10 623	10 547	10 547	6 442	6 551	8 639

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Expenditure by Vote										
Vote 1 - EXECUTIVE COUNCIL	1	3 734	6 016	8 037	6 831	7 205	7 205	9 406	10 482	11 406
1.1 - MUNICIPAL MANAGER		2 136	1 956	5 433	4 265	4 553	4 553	6 425	7 214	7 848
1.2 - GENERAL COUNCIL		1 598	4 060	2 604	2 566	2 652	2 652	2 981	3 268	3 558
Vote 2 - BUDGET AND TREASURY		5 621	6 710	9 867	7 134	7 026	7 026	7 553	6 199	6 663
2.1 - FINANCE		5 621	6 710	9 867	7 134	7 026	7 026	7 553	6 199	6 663
Vote 3 - CORPORATE SERIVES		2 259	3 157	3 960	3 643	4 647	4 647	5 156	5 605	6 034
3.1 - HUMAN RESOURCE		2 259	3 157	3 960	3 643	4 647	4 647	5 156	5 605	6 034
Vote 4 - COMMUNITY SERVICES		22 073	29 100	13 259	8 438	11 557	11 557	12 054	11 908	12 920
4.1 - PLANNING AND DEVELOPMENT		20 250	26 947	9 296	3 909	5 098	5 098	5 659	4 890	5 299
4.2 - COMMUNITY & SOCIAL (LIBRARIES)		256	356	661	661	630	630	891	988	1 073
4.3 - COMMUNITY & SOCIAL (CEMETERIES)		85	124	159	276	162	162	200	210	220
4.4 - SPORT RECREATION		25	338	330	613	619	619	839	936	994
4.5 - PUBLIC SAFETY		6	2	6	146	302	302	758	827	897
4.6 - WASTE MANAGEMENT		1 449	1 333	2 807	2 834	4 745	4 745	3 707	4 056	4 437
Vote 5 - TECHNICAL SERVICES		4 051	4 462	9 415	21 292	19 126	19 126	21 508	25 561	28 728
5.1 - ROADS & STORM WATER		331	38	1 521	1 735	853	853	1 709	1 993	2 060
5.2 - ELECTRICITY DISTRIBUTION		3 720	4 425	7 894	7 592	8 543	8 543	9 972	11 809	13 887
5.3 - WATER					7 064	6 814	6 814	6 126	7 191	7 869
5.4 - SANITATION					4 901	2 916	2 916	3 700	4 568	4 911
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
6.1 - [Name of sub-vote]										
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
7.1 - [Name of sub-vote]										

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Vote 8 - [NAME OF VOTE 8] 8.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9] 9.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10] 10.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11] 11.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12] 12.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13] 13.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	37 739	49 445	44 537	47 338	49 561	49 561	55 677	59 754	65 752
Surplus/(Deficit) for the year	2	10 098	14 036	2 534	10 623	10 547	10 547	6 442	6 551	8 639

References

1. Insert 'Vote'; e.g. Department, if different to standard structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		3 889	4 550	3 627	8 174	4 864	4 864	5 843	6 128	6 565
1.1 - MUNICIPAL MANAGER		2 084	2 343	1 343	5 640	2 243	2 243	2 962	2 979	3 187
1.2 - GENERAL COUNCIL		1 805	2 206	2 285	2 535	2 621	2 621	2 881	3 149	3 378
Vote 2 - BUDGET AND TREASURY										
2.1 - FINANCE		2 076	4 242	10 463	7 092	6 617	6 617	7 433	8 339	9 039
		2 076	4 242	10 463	7 092	6 617	6 617	7 433	8 339	9 039
Vote 3 - CORPORATE SERVICES										
3.1 - HUMAN RESOURCE		8 708	7 084	4 057	3 606	4 610	4 610	5 016	5 439	5 851
		8 708	7 084	4 057	3 606	4 610	4 610	5 016	5 439	5 851
Vote 4 - COMMUNITY SERVICES										
4.1 - PLANNING AND DEVELOPMENT		26 109	32 080	17 090	14 255	16 710	16 710	21 618	13 366	19 265
4.2 - COMMUNITY & SOCIAL (LIBRARIES)		20 523	27 015	8 343	3 725	4 660	4 660	5 209	5 763	6 176
4.3 - COMMUNITY & SOCIAL (CEMETERIES)		469	5	399	608	608	608	661	712	773
4.4 - SPORT RECREATION		145	235	165	276	178	178	200	309	331
4.5 - PUBLIC SAFETY		2 983	2 512	5 296	5 971	5 997	5 997	11 104	2 956	7 832
4.6 - WASTE MANAGEMENT		92	103	261	146	306	306	758	827	897
		1 897	2 209	2 626	3 529	4 960	4 960	3 687	2 799	3 257
Vote 5 - TECHNICAL SERVICES										
5.1 - ROADS & STORM WATER		7 055	15 525	11 834	24 833	27 307	27 307	22 208	33 033	33 670
5.2 - ELECTRICITY DISTRIBUTION		2 052	3 811	2 695	3 308	6 426	6 426	1 159	5 686	3 687
5.3 - WATER		5 004	11 714	9 139	11 330	11 900	11 900	11 222	16 770	18 573
5.4 - SANITATION					5 733	6 066	6 066	6 126	5 974	6 464
					4 463	2 916	2 916	3 700	4 602	4 946
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
6.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
7.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Vote 8 - [NAME OF VOTE 8] 8.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9] 9.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10] 10.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11] 11.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12] 12.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13] 13.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	47 837	63 482	47 071	57 961	60 108	60 108	62 119	66 306	74 391